

**OTAY RANCH PRESERVE OWNER/MANAGER (POM)  
POLICY COMMITTEE MEETING**

John Lippitt Public Works Center  
1800 Maxwell Road  
Chula Vista, CA 91911

October 15, 2009  
2:00-4:00pm

**AGENDA**

- I. Call to Order**
- II. Approval of POM Policy Committee Meeting Minutes of May 29, 2009**
- III. Public Comment on items not related to Agenda**
- IV. Status Reports** (*Josie McNeeley, LeAnn Carmichael*)
  - A. Preserve Steward/Biologist Contract**
  - B. Access Issues**
    - 1. Access through other Public Agency lands
  - C. Village 13/Resort Site Update**
- V. Future Infrastructure** (*Cheryl Goddard, Josie McNeeley*)
- VI. Future Preserve Owner/Manager Alternatives** (*Cheryl Goddard, Josie McNeeley*)
- VII. Finance** (*Josie McNeeley*)
  - A. FY08-09 - Budget Actuals**
  - B. Updated 5-year Projected Budget**
- VIII. Next Policy Committee Meeting**
  - A. TBD**
- IX. Adjournment**

**DRAFT Minutes**  
**Otay Ranch POM Policy Committee Meeting**  
County Administration Center, Tower 7  
1600 Pacific Highway  
San Diego, CA 92101

**May 29, 2009**  
2:00-4:00pm

**ATTENDEES:**

**City of Chula Vista**

Deputy Mayor John McCann  
Gary Halbert, Deputy City Manager  
Jill Maland, Deputy City Attorney  
Marisa Lundstedt, Principal Planner  
Josie McNeeley, Associate Planner  
Amy Partosan, Administrative Analyst  
Tessa Quicho, Administrative Analyst  
Iraesema Quilamtan

**County of San Diego**

Supervisor Greg Cox, District 1  
Chandra Wallar, Deputy Chief Administrative Officer, Land Use & Env. Group (LUEG)  
Mark Mead, County Counsel  
Megan Hamilton, LUEG Group Program Manager, Dept. of Planning and Land Use (DPR)  
LeAnn Carmichael, Planning Manager, Department of Planning and Land Use  
Larry Duke, District Park Manager, DPR  
Cheryl Goddard, Land Use/Environmental Planner, DPR

**Public** (*per attached sign-in sheet*)

Justin Craig, McMillin Companies  
Rikki Schroeder, RMA  
Bob Penner, Otay Land Company  
Kim Kilkenny, Otay Ranch Company  
Jeff Lincer, WRI

Agenda Item Numbers noted in parentheses

1. **Call to Order**  
**(I.)** Meeting called to order at 2:05 pm by County of San Diego/SUPERVISOR GREG COX.
2. **(II.)** City of Chula Vista/DEPUTY MAYOR JOHN MCCANN motioned to approve the meeting minutes. Motion seconded by SUPERVISOR COX. Motion carried.

3. **Public Comment on items not related to Agenda**  
(III.) SUPERVISOR COX opened and closed with no comment.

4. **Status Report**

(IV.A.) City of Chula Vista/JOSIE MCNEELEY reported on the Preserve Steward/Biologist scope of work and contract. Since the last Policy Committee meeting, POM staff has worked on revising the scope of work for the Preserve Steward/Biologist. The Preserve Steward/Biologist is to perform basic stewardship and conduct required biological surveys and monitoring for the Preserve. The PMT approved the scope of work at a special meeting held March 17<sup>th</sup>. At that time, the City agreed to administer the contract. The City then advertised for Request for Qualifications in early May for approximately 3 weeks. POM staff will be able to select a Preserve Steward/Biologist by the end of June and a contract administered by July.

SUPERVISOR COX asked if the Wildlife Agencies were happy with the scope of work.

MCNEELEY stated yes. POM staff worked closely with Wildlife Agencies staff in putting the scope of work together.

(IV.B.) County of San Diego/CHERYL GODDARD reported on future POM alternatives. Per Policy Committee direction, POM staff met with the Working Group on March 24<sup>th</sup> to discuss the POM alternatives. In addition to the Working Group, POM staff attended an Interagency Land Managers Coordination meeting held May 12<sup>th</sup>. Land managers from the Wildlife Agencies, BLM, and the City of San Diego Water Department were in attendance. POM staff discussed the POM alternative for other agencies and entities to take over land management of Preserve lands located east of Otay Lakes. The land managers at this meeting are interested in taking over management of those lands. POM staff will continue to work with these land managers over the coming months to iron out details. Also at the direction of the Policy Committee, POM staff drafted Implementation Steps and Timelines. The next steps for POM staff is to schedule a field trip with the potential land managers for mid-June, meet with the potential land managers to discuss land transfer and management requirements on July 23<sup>rd</sup>, and schedule a Working Group meeting to flush out POM alternatives in August. POM staff will then return to the Preserve Management Team (PMT) and the Policy Committee at their next regularly scheduled meetings, anticipated to be in late August and September respectively, with a recommendation on the rankings of preference of the various POM alternatives.

SUPERVISOR COX asked if the potential land managers included the Wildlife Agencies, BLM, and the City of San Diego Water Department.

GODDARD stated yes. Those are the agencies and entities that own land adjacent to the Otay Ranch Preserve.

**(IV.C.)** GODDARD reported on Preserve access issues. The POM requires legal and physical access to conveyance lands before it will accept fee title to it. McMillin Companies and Otay Ranch Company have proposed conveyance lands which are currently accessed through existing dirt roads which cross City of San Diego Water Department and Dept. of Fish and Game lands. POM staff sent Right of Entry request letters to the City of San Diego and the Department of Fish and Game on April 28<sup>th</sup>. The Dept. of Fish and Game has responded with a Right of Entry letter. The City of San Diego is in the process of processing the POM staff's request. GODDARD reported that Niki McGinnis of the City of San Diego Water Department does not foresee issues with the Right of Entry request, rather it is more of an administrative process to grant the access.

SUPERVISOR COX asked if the POM was requesting an easement or Right of Entry.

GODDARD stated that the POM is seeking Right of Entry.

SUPERVISOR COX asked if Right of Entry was enough to accept the land into the Preserve.

GODDARD stated yes.

SUPERVISOR COX stated that depending on future actions, access may lead back to one of the agencies or entities who are interested in taking over land management responsibilities east of the lakes. SUPERVISOR COX stated that he is happy that the agencies and entities are working together and cooperatively.

**(IV.D.)** GODDARD reported on the proposal to vacate and substitute conveyance lands north of Village 13/Resort site. Otay Ranch Company has offered a total of ~963 acres of conveyance lands north of Village 13 via an Irrevocable Offer of Dedication (IOD) and a recorded Open Space Easement in the eastern portion of Village 13. The IOD has been acknowledged by the POM but has not been accepted due to the proposed development and Preserve boundary modifications associated with the Village 13 entitlement and permitting process. Otay Ranch Company has expressed that their reasons for proposing to vacate and substitute the conveyance lands is to allow the POM to accept fee title to the conveyance land. The substitution land is located within the San Ysidro Parcel. Once the land conveyance land is vacated and replaced, Otay Ranch Company is proposing to use that area as the conveyance obligation associated with the Village 13 development project. The application for the proposed vacation and substitution, is anticipated to be submitted to the County and the City within the next few weeks.

ROB CAMERON stated that Otay Ranch Company anticipates submitting the applications next week.

City of Chula Vista/ MARISA LUNDSTEDT stated that in meeting with the potential land managers, the land managers, in particular BLM, were excited about the proposed substitution land.

SUPERVISOR COX stated that if the POM is successful with implementing alternative land managers for Preserve lands east of the lakes, there is the potential for the other agencies and entities to fill in holes within their planned management areas.

DEPUTYMAYOR MCCANN stated that future development is far off due to the economy but requests that an update on the Village 13 application be presented at the next Policy Committee meeting. Village 13 is adjacent to a lot of the lands that we are discussing.

County of San Diego/CHANDRA WALLAR stated that an update can be provided at the next meeting.

5. **(V.) Goddard** reported on the Phase 2 Resource Management Plan (RMP) Update. POM staff has been working with the Otay Ranch Company who submitted an updated version at the end of 2008. The changes include updating figures, including the Preserve boundary to make the County and the City's boundary consistent, including development/Preserve acreage accounting to-date, includes budget assumptions, and actions taken by the Policy Committee, the Board of Supervisors, and City Council. POM staff met with Otay Ranch Company in February to discuss the changes and has a follow-up meeting scheduled for June 18<sup>th</sup>. At the last PMT meeting, the PMT directed POM staff to ask the Policy Committee for direction as to whether staff should return to the PMT and Policy Committee prior to docketing the items for Board of Supervisor and City Council consideration.

SUPERVISOR COX stated that he is comfortable with the working relationship between City and County staff and that staff should make the necessary changes and take them directly to the Board and City Council. Each Policy Committee will be able to provide their input at their respective Board and Council hearings. SUPERVISOR COX made the motion to allow staff to bring the Phase 2 RMP Update directly to the Board and City Councils

DEPUTY MAYOR MCCANN seconded the motion. Motion passed.

## 6. **Future Infrastructure**

**(VI.) GODDARD** reported on future infrastructure. Per Policy Committee direction, POM staff and County and City legal counsels attended a mediation session with retired Judge May on April 17<sup>th</sup>. As a recap, the issue of future

infrastructure involves language proposed by the City to be included on conveyance documents providing the jurisdiction in which the infrastructure is to be located the authority to site the infrastructure. The County requested that the conveyance documents remain silent on the issue of future infrastructure and for each proposed siting of future infrastructure to be reviewed on a case-by-case basis. At the outcome of the mediation session, the mediator recommended that POM staff amend the JPA and any related policy documents to clarify that each respective entity is to control the siting of future infrastructure facilities on Preserve land which is within their respective boundaries and that siting decisions should occur only after requesting, receiving, and considering recommendations from the POM. It is POM staff's recommendation to implement the mediators written recommendation date April 21, 2009 as a part of the Phase 2 RMP Update; direct legal staff to continue coordination on language to be included in conveyance documents which grants an easement for future facilities to the jurisdiction in which the facility is to be located; and if consensus is reached amongst legal staff, POM staff may proceed with acceptance of conveyance lands in which future infrastructure is the only outstanding issue. To date, the City has provided the County with proposed language. The County agrees with the language in concept and now it is a matter of semantics.

DEPUTY MAYOR MCCANN motioned to approve POM staff's recommendation.

SUPERVISOR COX seconded the motion. Motion passed.

## **7. Finance**

**(VII.A.)** MCNEELEY reported on the FY08-09 Budget Actuals. The beginning fund balance for CFD 97-2 was \$376,818. The estimated budget for FY08/09 was \$505,000. The City levied for \$510,339. As of May 12<sup>th</sup>, the revenues received totals \$392,082. Expenditures to-date total ~\$140,000. This total does not include Q4 expenditures. The current fund balance is \$627,460. For this fiscal year, administrative expenses have gone over budget. As we discussed, we have been addressing the future infrastructure issues and there have been new legal staff assigned to the project this year so it was a matter of getting staff up to speed. We do anticipate additional administrative charges as staff is in the process of working through the future infrastructure language. There have been expenditures under Preserve Operations and Maintenance and there will be anticipated expenses for new signs. The remainder of the budget will be rolled-over to the FY09-10 budget basically to cover the cost of the Preserve Steward/Biologist contract.

SUPERVISOR COX asked what the anticipated fund balance is to be by June 30<sup>th</sup>.

MCNEELEY stated she was unsure what the revenues would total by the end of June so it is hard to estimate.

SUPERVISOR COX asked if additional revenues are being collected.

MCNEELEY stated yes.

DEPUTY MAYOR MCCANN asked how the levy amount is determined for each parcel.

MCNEELEY stated that the amount is determined through a formula listed in the Special Tax Report. There is a Rate of Method Appropriation that is used.

DEPUTY MAYOR MCCANN asked if that rate is fixed or does it increase each year?

City of Chula Vista/AMY PARTOSAN stated that the maximum levy amount can be increased by a CPI, an index. It fluctuates and depends on the budget each year and the ending fund balance of the previous fiscal year. The rate does fluctuate but it can't exceed the index amount per the Special Tax Report.

DEPUTY MAYOR MCCANN stated that in the 5-year forecast included as a handout, it is assumed that the amount of units being taxed remains constant after 2009. This is likely due to the current economy. The average per parcel assessment continues to increase.

MCNEELEY stated the per parcel assessment amount in the 5-year forecast was added at a request. The number shown in the forecast is not a true number. The assessment amounts are based on a formula found in the Special Tax Report. The number shown on the forecast is based on the maximum levy amount divided by the assumed amount of parcels to be levied. There is a specific calculation used to determine the assessment amount.

DEPUTY MAYOR MCCANN asked how the housing value effects the maximum levy amount. Can the levy amount increase even if the housing values have generally decreased?

PARTOSAN stated that Community Facility Districts (CFD) within the City are based on square footage and not the value of the home. Even though the value of a house decreases, the CFD assessment amount could increase based on the index indicated in the Special Tax Report.

SUPERVISOR COX stated that the CFD is probably predicated on the fact that the cost to maintain the Preserve will likely remain the same or slightly increase. SUPERVISOR COX asked if the average index amount used is roughly 4% increase on the average parcel.

PARTOSAN stated yes.

DEPUTY MAYOR MCCANN stated that based on the 5-year forecast, the POM will be running on a deficit. Why is this?



MCNEELEY stated that the 5-year forecast assumes a delinquency rate of 21% which is the deficit amount for the first installment collected on December 10<sup>th</sup>. The City's finance staff advises that it is still early. A deficit amount cannot accurately be calculated until the assessments have been on the books for a full year. It is apparent from the 5-year forecast that we will be in the red however the City's finance staff has recommended that the 5-year forecast be reviewed each September which is when the Policy Committee is anticipated to reconvene. Staff should have a more accurate delinquency rate to be used in the forecast by then.

SUPERVISOR COX stated that money will be rolled-over next fiscal year to cover the Preserve Steward/Biologist contract so there will be money available for that. It is more of a cash-flow issue.

MCNEELEY stated yes. There is money that will be rolled over from this fiscal year to next fiscal year for the Preserve Steward/Biologist to complete their work.

County of San Diego/CHANDRA WALLAR stated that the PMT is also closely watching the budget so that staff can adjust immediately as needed so that the budget does not go in the red in future years.

**(VII.B.)** MCNEELEY reported on the revised FY09-10 budget. The FY09-10 budget was presented to the Policy Committee at their last meeting in February. Since then the PMT held a special meeting to discuss the scope of work for a Preserve Steward Biologist. Also at that meeting, the PMT approved modifications to the budget which included reallocating funds associated with the Park Ranger, Preserve Operation and Maintenance, and Resource Monitoring to the Preserve Steward/Biologist. The total budget numbers remain the same. There is a total of \$340,000 from FY07-08 and FY 08-09 that will be rolled over to the FY09-10 budget.

**(VII.C.)** MCNEELEY reported on the updated 5-year POM budget projection. The 5-year budget has been updated to reflect the current number of taxable parcels which is currently 10,212. Previously it was 9,536 parcels. The 10,212 amount is assumed for the following fiscal years due to the current economy however we anticipate this number to increase as development picks up and are annexed into the CFD. A 21% delinquency rate has been factored in and is based on the first installment collection of December 10<sup>th</sup>. This number will be adjusted for the next Policy Committee meeting and will use the delinquency rate based on both installment collections. The forecast also shows the cost for the services to be completed by the Preserve Steward/Biologist. This number will change annually as staff assesses the work to be completed each year based on a Work Plan to be completed by the Preserve Steward/Biologist. The numbers are not fixed, they will adjust, and are based on a 21% delinquency rate.



SUPERVISOR COX asked if the Preserve Steward/Biologist will be a contracted position, not a County or City employee.

MCNEELEY stated yes.

SUPERVISOR COX stated that if the POM can work out the details for the lands east of the lakes, the Preserve Steward/Biologist would then focus on the remaining preserve lands.

MCNEELEY stated yes.

SUPERVISOR COX asked if the Policy Committee needed to take action on the revised budget.

MCNEELEY stated that the budget has gone to the City Council. The dollar amount did not change but it was simply a reallocation of funds to the Preserve Steward/Biologist.

## **9. Adjournment**

**(IX.)** SUPERVISOR COX asked if there were any public comments. No comments were made by the public.

SUPERVISOR COX said that he was happy to hear about the attitudes of the resource agencies. In the end it may make more sense for the other potential land managers to manage the lands east of the lake. As the details are worked out, each potential land manager should understand that there needs to be an integrated trail system in this area. The County has worked with Fish and Game on MSCP lands and there is a willingness to work together with that agency and hopes that the Refuge, BLM, and City of San Diego Water Department are also cooperative in trail planning. Although it is the intent to have an open space preserve system, there is also the goal to have an appropriately placed trail system. There should be an understanding with any potential land transfers that trails shouldn't be precluded in the land transfers.

DEPUTY MAYOR MCCANN stated that he is optimistic with how things are moving along. The integrated trail system is very important.

SUPERVISOR COX asked if the Policy Committee should take any action on the POM alternatives in regards to narrowing down the alternative choices.

GODDARD stated that POM staff recommends to keep all the alternatives viable at this time. Staff will be meeting with the Working Group to discuss the alternatives in more details in August and discussing which alternatives may be combined. Staff will have a recommendation ranking the order of preference for the Policy Committee at its next meeting.

SUPEVISOR COX asked if the next meeting has been scheduled.

GODDARD stated not at this time, but it is anticipated to be in September.

DEPUTY MAYOR MCCANN stated that he would clear his calendar for any Friday in September except for the one after Labor Day.

SUPERVISOR COX adjourned the meeting at 2:40pm.

## ATTACHMENT A

## MEETING SIGN-IN SHEET

**Project:** Otay Ranch Preserve  
Preserve Management Team (PMT)

**Meeting Date/Time:** May 13, 2009, 1:30-3:30 pm

**Place/Room:** County Administration Center, Room 212 Drake Conference Room  
1600 Pacific Highway  
San Diego, CA 92101

[illegible]

**Otay Ranch Preserve Owner Manager (POM) Policy  
regarding the  
Placement of Infrastructure Facilities  
within the  
Otay Ranch Preserve**

September 30, 2009

**Recommendation:**

Approve the Otay Ranch Preserve Owner Manager (POM) Policy regarding the placement of infrastructure facilities within the Otay Ranch Preserve, which includes the following:

- A. Direct POM staff to prepare corresponding amendments to the RMP2 and Joint Powers Agreement (JPA) in accordance with the recommendation provided by the mediator, Honorable Robert E. May (dated April 21, 2009). The amendments to the RMP2 and JPA shall be presented to the County Board of Supervisors and the Chula Vista City Council for consideration and adoption;
- B. Approve infrastructure language to be included in those conveyance documents that are pending and future acceptance by the POM due to matters related to future infrastructure; and
- C. Approve the POM process for commenting on the Placement of Infrastructure Facilities within the Otay Ranch Preserve.

**Purpose:**

The Otay Ranch General Development Plan/Subregional Plan (GDP/SRP), Otay Ranch Resource Management Plans (RMP, Phases 1 and 2), the County of San Diego's South County Multiple Species Conservation Program (MSCP) Subarea Plan and the City of Chula Vista's MSCP Subarea Plan acknowledge and recognize that infrastructure facilities may be placed within the Otay Ranch Preserve. Pursuant to the RMPs, "*infrastructure facility*" includes a road, sewage, water, reclaimed water, or urban runoff facility. The siting of infrastructure facilities within the Otay Ranch Preserve must comply with all criteria set forth within the Otay Ranch GDP/SRP, RMPs, and the County and the City's respective MSCP Subarea Plans.

**A. Implement Mediator's Recommendation:**

The City and County participated in a mediation session held in April 2009. Following the mediation, the mediator, Honorable Robert E. May, provided the following recommendation (dated April 21, 2009):

"The Mediator would recommend that the JPA and any related policy documents be amended to allow the respective entities to control the siting of future facilities on Preserve land, which is within the respective boundaries. However, any decision made should occur only after requesting, receiving, and considering any recommendation from POM."

At the last Policy Committee meeting, POM staff was directed to implement the mediator's recommendation as a part of the RMP2 update. This policy ensures the Phase 2 RMP and Otay Ranch Joint Powers Agreement will be updated to incorporate the language set forth below and

clarify the role of the POM in the siting of the future infrastructure. POM staff anticipates bringing these documents forward for the County Board of Supervisors (County Board) and Chula Vista City Council (City Council) consideration by Spring 2010.

## **B. Infrastructure Language:**

Per Phase 2 RMP, open space conveyance obligations have been offered to the County of San Diego and City of Chula Vista within the Otay Ranch Preserve. Some of the conveyance documents included language reserving easements for the siting of infrastructure. This policy is intended to clarify the language to be included in conveyance documents.

Pending and future conveyance documents offering open space land to the County of San Diego and the City of Chula Vista in accordance with a conveyance obligation per the Otay Ranch RMP Phase 2 shall include the following provision:

“Granting unto the [(City of Chula Vista) or (County of San Diego)] an easement for infrastructure facilities (“Facilities”). This easement includes the right, but not the obligation, to construct, install, maintain, repair, and reconstruct the Facilities, and an easement for ingress and egress over the property conveyed hereby to the extent reasonably necessary to hook into existing infrastructure facilities and to effect any such construction, installation, maintenance, repair, or reconstruction of the Facilities. This easement, when conveyed and transferred to the [(City) or (County)], shall be appurtenant to the real property owned by the Grantor as described in the instrument conveying this easement. Prior to approving the siting of Facilities within the easement, the [(City) or (County)] shall request and consider written comments from the Preserve Owner Manager on the proposed location.”

## **C. POM Process for Commenting on Placement of Infrastructure Facilities**

Pursuant to the mediator’s recommendation, the City and County are in agreement that the siting of Facilities within the Otay Ranch Preserve shall be controlled by the jurisdiction within which the Facilities are to be located. However, prior to approving the siting of infrastructure facilities, the jurisdiction in which the facilities are to be located shall request and consider written comments from the POM on the proposed location of the infrastructure facilities. The following process is being presented to the PMT consideration and adoption:

- POM staff of the jurisdiction in which the proposed infrastructure is to be sited shall notify POM staff of the remaining jurisdiction about the proposed the project as soon as reasonably possible.
- If POM staff jointly determines the proposed siting of the infrastructure meets the criteria set forth within the Otay Ranch GDP/SRP, RMPs, and the County and the City’s respective MSCP Subarea Plans, POM staff shall provide the comments to the jurisdiction in which the infrastructure is to be located.
- If POM staff cannot come to consensus on the proposed infrastructure location, a special PMT meeting will be scheduled to present the matter to the PMT for resolution.

- If the PMT cannot come to consensus, the PMT shall direct POM staff to prepare separate recommendations to the jurisdiction in which the proposed infrastructure is to be sited. The PMT representatives shall provide their respective POM staff members with specific direction and input to be included in the written siting recommendation, such that another PMT meeting will not be required to approve the recommendation. POM staff shall then forward their respective recommendations to the jurisdiction in which the infrastructure is to be sited.
- This process shall be completed within 45 days of notice of the proposed project, or prior to the close of any applicable public comment period, whichever is longer.

## **FUTURE POM ALTERNATIVES**

### *Summary of Alternatives*

September 30, 2009

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#### **EXISTING POM**

- Per JPA, current POM responsibilities are generally allocated as follows:
  - Resource Protection, Monitoring and Management - County
  - Environmental Education - City
  - Research - City
  - Recreation - City
  - Law Enforcement - Shared responsibility based on jurisdiction
- RECON has been retained to serve as the Preserve Steward/Biologist implementing basic stewardship, management, and monitoring tasks on currently owned POM lands.
  - Although the County was directed to be responsible for Resource Protection, Monitoring and Management of the Preserve per the JPA, the City has agreed to administer the contract for the Preserve Steward/Biologist
- City and County maintain the responsibility for reviewing all activities and amendments to the GDP or RMP or both that potentially effect the integrity of the Preserve.
- Ownership of preserve lands: Fee title is held by the City and County
- Policy Decisions: POM Policy Committee – City & County
- Funding: City CFD 97-2 & County will require V13 & V17 to create a CFD or like funding mechanism

#### **OTHER PUBLIC AGENCIES (REFUGE, BLM, CDFG, & CISD) MANAGE CONVEYED LANDS EAST OF OTAY LAKES/DETERMINE APPROPRIATE POM FOR REMAINING CONVEYED PRESERVE LANDS**

- Per Baldwin Agreement, U.S. Fish and Wildlife Services (USFWS) agreed that all preserve lands east of Otay Lakes and within the National Wildlife Refuge (NWR) boundary will be transferred directly to the USFWS
  - Conveyances will be transferred directly to USFWS
  - USFWS will manage land without financial assistance from CFD or other financing or exaction mechanism imposed by the City or County
  - USFWS will be relieved of any and all RMP obligations associated with the transferred lands and would manage the lands in accordance with the NWR System Administrative Act of 1996 (Refuge Act)
- Upon discussing the Baldwin Agreement with the USFWS and the Refuge, they recommended approaching other public land managers who also owned land in the area, including the Bureau of Land Management (BLM), CA Dept. of Fish and Game (CDFG), and the City of San Diego (CiSD) to determine if they are interested in managing some of the land.
- Ownership of preserve lands: Fee title transferred directly to the other public agencies
- Policy Decisions: Agencies who accept fee title to the land
- Funding: Refuge, CDFG, & BLM to fund management & monitoring (City cannot transfer CFD 97-2 funds to state and feds). Staff to discuss if funds can be transferred to the CiSD.



- The POM will need to determine an appropriate POM for the remainder preserve lands. Ownership, policy decisions, and funding for the remainder preserve lands is dependent on the POM chosen.

### **THIRD PARTY POM**

- Pursuant to Section II.A. of the RMP2:
  - POM will oversee the day-to-day and long-range activities within the Resource Preserve
  - POM will take an active role in the maintenance and enhancement of biological resources
  - POM will take on development of educational programs, and the implementation of Phase 1 and 2 RMP policies related to management of the resource preserve
  - POM will participate in the decision-making processes for all activities and amendments to the GDP or RMP or both that potentially effect the integrity of the resource preserve
- Ownership of preserve lands: Fee title transferred directly to the Third Party entity
- Policy Decisions: City & County since they ultimately approve any changes to the GDP/SRP and RMPs
- Funding: Same as Existing POM

### **CREATION OF NON-GOVERNMENTAL ORGANIZATION (NGO) TO SERVE AS PRESERVE STEWARD/BIOLOGIST**

- NGO as land manager only
- City/County to maintain responsibility for reviewing all activities and amendments to the GDP or RMP or both that potentially effect the integrity of the Preserve.
- Ownership of preserve lands: Same as Existing POM
- Policy Decisions: Same as Existing POM
- Funding: Same as Existing POM

### **JURISDICTIONAL POMS - OPTION 1: EACH JURISDICTION MANAGES CONVEYED PRESERVE LAND WITHIN THEIR RESPECTIVE JURISDICTION**

- Each jurisdiction to serve as POM and manage land within their respective jurisdictional boundary (City to serve as POM for City land, County to serve as separate POM for County land)
- No coordination between each jurisdiction on policy issues (i.e., no JPA, PMT or PC)
  - Independent GDP/SRP and RMP documents
- Ownership of preserve lands: City for preserve lands within their jurisdiction & County for preserve lands in the unincorporated
- Policy Decisions: City for their jurisdiction, County for their jurisdiction
- Funding: Same as Existing POM, however City & County must come to a funding/payment agreement, including a per acre cost to manage and monitor the lands

### **JURISDICTIONAL POMS - OPTION 2: EACH JURISDICTION MANAGES CONVEYED LAND ASSOCIATED WITH A DEVELOPMENT PROJECT ENTITLED/PERMITTED BY THEIR RESPECTIVE JURISDICTION**

- Each jurisdiction to serve as POM and manage land entitled/permitted by their respective jurisdiction (City to serve as POM for conveyances associated with Villages within the City's jurisdiction, County to serve as POM for conveyances associated with Villages 13 and 17)

- Ownership of preserve lands: City for preserve lands associated with City development projects & County for preserve lands associated with County development projects
- Policy Decisions: City & County since they ultimately approve any changes to the GDP/SRP and RMPs
- Funding: For the City, CFD 97-2 & for the County, CFD or like funding mechanism to be created for V13 & V17

## FUTURE POM ALTERNATIVES

*09.30.09*

	ALTERNATIVE 1	ALTERNATIVE 2	ALTERNATIVE 3	ALTERNATIVE 4	ALTERNATIVE 5	ALTERNATIVE 6
	Existing POM	Other Agencies (NWR, CDFG, BLM, & CiSD) manage lands east of Otay Lakes/Determine appropriate POM for remaining conveyed preserve lands	Third Party POM	Creation of Non-Governmental Organization (NGO) to serve as Preserve Steward/Biologist	Jurisdictional POMs Option 1: Each jurisdiction manages conveyed preserve land within their respective jurisdiction	Jurisdictional POMs Option 2: Each jurisdiction manages conveyed land associated with a development project entitled/permitted by their respective jurisdiction
<b>PROS/STRENGTHS</b>	<ul style="list-style-type: none"> <li>+ County and City are currently serving as preserve land managers</li> <li>+ County and City have served as the POM for 12 years and have the experience and resources to manage the Preserve</li> <li>+ Limits the number of land managers within Otay Ranch Preserve to one entity</li> <li>+ County and City will rely on the contracted Preserve Steward/Biologist to communicate the on-going condition of the Preserve to the POM. The Preserve Steward/Biologist will be assigned to complete basic stewardship tasks, complete biological surveys, and attend land managers monitoring and coordination meetings.</li> <li>+ The Preserve Steward/Biologist will have the technical knowledge of specific resource needs and priorities</li> <li>+ With the technical knowledge of specific resource needs and priorities, the Preserve Steward/Biologist will be able to better estimate the costs of needed management and monitoring tasks.</li> <li>+ The number of PMT and/or Policy Committee meetings may be reduced from quarterly to semi-annually or annually as progress is made by the newly hired Preserve Steward/Biologist.</li> </ul>	<ul style="list-style-type: none"> <li>+ NWR, CDFG, BLM, &amp; CiSD already own land east of Otay Lakes creating an efficiency in land management due to adjacency</li> <li>+ Adding preserve lands to the existing NWR, CDFG, BLM, &amp; CiSD conserved lands will create a better preserve design for the other Agencies.</li> <li>+ Other Agencies will take on the management and monitoring requirements of lands transferred to them</li> <li>+ In the past, the Refuge agreed to manage the lands at no cost to Otay Ranch projects</li> <li>+ The County and City will need to identify a POM for a smaller portion of land, which may be more manageable for Third Party POM.</li> <li>+ The existing POM, or an alternative POM, can focus more on recreation, and environmental education and research projects in the Otay Valley Parcel. These efforts can be coordinated with the Otay Valley Regional Park (OVRP) Joint Staff.</li> <li>+ Assessment rates will likely decrease since it is unlikely that the County or the City will have the need to levy for the maximum assessment amounts possible</li> </ul>	<ul style="list-style-type: none"> <li>+ Limits the number of land managers within Otay Ranch Preserve to one entity</li> <li>+ One entity will be responsible for all POM tasks, i.e. resource protection, monitoring and management, environmental education, research, recreation, and enforcement activitiesThird Party POM may be able to spend more time completing on-the-ground management tasks than administrative tasks</li> <li>+ Because the Third Party POM may have more time for on-the-ground management tasks, they will have the technical knowledge of specific resource needs and priorities</li> <li>+ With the technical knowledge of specific resource needs and priorities, a Third Party POM will be able to better estimate the costs of needed management and monitoring tasks.</li> </ul>	<ul style="list-style-type: none"> <li>+ Limits the number of land managers within Otay Ranch to one entity</li> <li>+ NGO's sole purpose will be to manage and monitor the Preserve</li> <li>+ NGO may have volunteers conduct basic stewardship tasks (i.e., weed and trash removal, fence maintenance) reducing costs for management tasks</li> <li>+ NGO may have staff/volunteers with the technical knowledge to determine specific biological resource needs and priorities</li> <li>+ With the technical knowledge of specific biological resource in the Preserve, NGO will be able to better estimate the costs for management and monitoring tasks</li> <li>+ NGO may have the ability to seek and pursue grant opportunities</li> <li>+ NGO may be able to provide more public outreach as envisioned in RMP</li> <li>+ City and County would maintain control of Preserve lands by holding fee title</li> <li>+ The number of PMT and/or Policy Committee meetings may be reduced from quarterly to semi-annually or annually as progress is made by the NGO.</li> </ul>	<ul style="list-style-type: none"> <li>+ County and City can serve as preserve land managers</li> <li>+ Limits the number of land managers within Otay Ranch Preserve</li> <li>+ Eliminate the need for a joint PMT and Policy Committee</li> <li>+ County and City will be independent POMs <ul style="list-style-type: none"> <li>▪ Policy issues would be resolved by each respective jurisdiction</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>+ County and City can serve as preserve land managers</li> <li>+ Limits the number of land managers within Otay Ranch Preserve</li> <li>+ Budget issues would be resolved by each respective jurisdiction</li> </ul>



	ALTERNATIVE 1	ALTERNATIVE 2	ALTERNATIVE 3	ALTERNATIVE 4	ALTERNATIVE 5	ALTERNATIVE 6
	Existing POM	Other Agencies (NWR, CDFG, & BLM, CiSD) manage lands east of Otay Lakes/Determine appropriate POM for remaining conveyed preserve lands	Third Party POM (including the option of a Non-Governmental Organization)	Creation of Non-Governmental Organization (NGO) to serve as Preserve Steward/Biologist	Jurisdictional POMs Option 1: Each jurisdiction manages conveyed preserve land within their respective jurisdiction	Jurisdictional POMs Option 2: Each jurisdiction manages conveyed land associated with a development project entitled/permitted by their respective jurisdiction
IMPLEMENTATION STEPS (cont'd)		<p>Agencies who are not willing to manage and monitor the lands according to the Otay Ranch EIR.</p> <p>4. County, City, and agreeable Agencies to determine distribution of lands. In the event multiple Agencies are interested in taking the same parcel of land, the County and City will select an Agency based on their respective land management requirements.</p> <p>5. County and City to discuss the following with USFWS and CDFG (regulatory staff):</p> <ul style="list-style-type: none"><li>▪ Determine if Agency accepting the Preserve land will be required to implement Otay Ranch GDP/SRP and RMP management and monitoring requirements</li><li>▪ Determine if amendments to the Otay Ranch regulatory documents and County and City's IA and MSCP will be required to address the transfer of management and monitoring responsibilities</li></ul> <p>6. Agencies to coordinate with their respective land acquisition/realty specialists to identify conditions and requirements for land transfersCounty and City to meet with each Agency individually to determine if land transfer conditions and requirements can be met and their process and timing for transferring land. County and City conditions to include public access (trails) and future infrastructure.</p> <p>7. If conditions are acceptable to all parties, County, City, and agreeable Agencies to draft a MOU. MOU to include the following:</p> <ul style="list-style-type: none"><li>- A condition that State Agencies manage and monitor lands at no cost to Otay Ranch</li></ul>	<p>POM (the SOW will be similar to the Preserve Biologist/Steward SOW)</p> <p>4. County and City interview qualified candidates</p> <p>5. County and City select a Third Party POM</p> <p>6. County, City, and Third Party POM enter into a three-party contract (may require City Council action)</p> <p>7. Meet with Working Group and Third Party POM to determine priorities and establish work plan</p> <p>8. Present work plan to the PMT and PC for approval and initiation</p> <p><b>Note:</b> County and City POM Policy Committee, PMT, and Staff shall continue to review the Third Party POM management and monitoring reports to ensure that the RMP tasks and all POM responsibilities are being completed. County and City POM Policy Committee would continue to take action on Policy issues.</p>		<ul style="list-style-type: none"><li>▪ Funding agreement is needed as development impacts and associated CFD may be located in one jurisdiction and the associated conveyance land may be in the other jurisdiction.</li><li>▪ Funding agreement to include a per acre cost to manage and monitor the land</li><li>▪ Funding agreement to include a payment schedule</li></ul> <p>4. County and City to enter into the MOU</p> <p>5. Each jurisdiction to manage and monitor conveyed lands within their jurisdiction independently.</p> <ul style="list-style-type: none"><li>▪ Each jurisdiction may choose to manage and monitor the conveyed lands via contracting a Preserve Biologist/Steward or contracting consultants to complete required biological and cultural surveys (as-needed).</li></ul> <p>6. Each jurisdiction independently advertises for a Preserve Biologist/Steward or consultant</p> <p>7. Each jurisdiction interviews qualified candidates.</p> <p>8. Each jurisdiction independently selects a Preserve Biologist/Steward or consultant.</p> <p>9. Each jurisdiction independently enters into a contract with their selected candidate (may require City Council action).</p>	<p>5. Each jurisdiction independently advertises for a Preserve Biologist/Steward or consultant</p> <p>6. Each jurisdiction interviews qualified candidates.</p> <p>7. Each jurisdiction independently selects a Preserve Biologist/Steward or consultant.</p> <p>8. Each jurisdiction independently enters into a contract with their selected candidate (may require City Council action).</p>

	ALTERNATIVE 1	ALTERNATIVE 2	ALTERNATIVE 3	ALTERNATIVE 4	ALTERNATIVE 5	ALTERNATIVE 6
	Existing POM	Other Agencies (NWR, CDFG, & BLM, CiSD) manage lands east of Otay Lakes/Determine appropriate POM for remaining conveyed preserve lands	Third Party POM (including the option of a Non-Governmental Organization)	Creation of Non-Governmental Organization (NGO) to serve as Preserve Steward/Biologist	Jurisdictional POMs Option 1: Each jurisdiction manages conveyed preserve land within their respective jurisdiction	Jurisdictional POMs Option 2: Each jurisdiction manages conveyed land associated with a development project entitled/permitted by their respective jurisdiction
IMPLEMENTATION STEPS (cont'd)		<ul style="list-style-type: none"><li>▪ A condition that Agencies manage and monitor lands per MSCP &amp; Otay Ranch EIR requirements</li><li>▪ A process on transferring future conveyances from developers to the Agencies</li></ul> <p>8. Enter into a MOU with agreeable Agencies (requires Board of Supervisors and City Council action)</p> <p>9. County and City to provide evidence that lands currently conveyed to the POM meet the Agencies' conditions and requirements</p> <p>10. If the conveyed lands meet the Agencies' conditions and requirements, County and City to quitclaim the San Ysidro property (517 acres) and transfer it to the accepting Agency</p> <p><b>Remaining conveyed preserve lands</b></p> <p>City and County to decide appropriate POM for remaining conveyed Preserve lands</p> <ul style="list-style-type: none"><li>▪ POM staff to consider Working Group comments on the POM alternatives then rank the remaining POM alternatives accordingly</li><li>▪ POM staff to make recommendation to the PMT and PC</li></ul>				



	ALTERNATIVE 1	ALTERNATIVE 2	ALTERNATIVE 3	ALTERNATIVE 4	ALTERNATIVE 5	ALTERNATIVE 6
	Existing POM	Other Agencies (NWR, CDFG, & BLM, CiSD) manage lands east of Otay Lakes/Determine appropriate POM for remaining conveyed preserve lands	Third Party POM (including the option of a Non-Governmental Organization)	Creation of Non-Governmental Organization (NGO) to serve as Preserve Steward/Biologist	Jurisdictional POMs Option 1: Each jurisdiction is responsible for implementing POM tasks and responsibilities as outlined in the RMPs on conveyed preserve land within their respective jurisdiction	Jurisdictional POMs Option 2: Each jurisdiction manages conveyed land associated with a development project entitled/permitted by their respective jurisdiction
FEASIBILITY	N/A – Status Quo	<ul style="list-style-type: none"><li>- Will the Refuge, CDFG, BLM, and/or City of SD accept lands without any funding for management and monitoring?</li><li>- Will the County, City, and City of SD, as the signatories to the OVRP JEPA, want to absorb POM responsibilities for the Otay Valley parcel Preserve lands?</li></ul>	<ul style="list-style-type: none"><li>- Are there qualified candidates for this size of a Preserve?</li><li>- How different is a Third Party POM from the status quo?</li></ul>	<ul style="list-style-type: none"><li>- Will there be enough interest from the existing land managers/biologist to create an NGO?</li><li>- Will those individuals/organization interested in creating and working with the NGO be qualified?</li></ul>	<ul style="list-style-type: none"><li>- County and City will need to come to consensus on a funding agreement.</li><li>- Legal consultation is needed to determine how jointly approved documents (GDP/SRP and RMPs) will be implemented or amended if County and City are each solely responsible for policy interpretations and/or future amendments to the documents</li></ul>	Legal consultation is needed to determine how jointly approved documents (GDP/SRP and RMPs) will be implemented or amended if County and City are each solely responsible for policy interpretations and/or future amendments to the documents.
ESTIMATED TIMELINE	N/A – Status Quo	<b>Lands east of Otay Lakes</b> <ul style="list-style-type: none"><li>- Dependent on on-going discussions with the Agencies and if County and City can meet the Agencies’ land transfer conditions and requirements.</li></ul> <b>Remaining conveyed preserve lands</b> <ul style="list-style-type: none"><li>- Dependent on which POM structure is chosen</li></ul> Estimated to be ~ 1 year -3 years	~ 1 year	~ 1 year	~ 1 year	~ 1 year



Actuals/Projected Expenditures for FY08-09 POM Budget

Tasks	Budget	Actual Expenditures for Quarter 1-3	Projected Expenditures for Quarter 4	Actual Expenditures (Q1-4)	Balance	Notes
Administration						
CFD Consultant	\$18,000	\$13,067.79	\$4,918.17	\$17,985.96	\$14.04	Calculation of max tax and tax rates for district. Addresses period inquiries from POM staff/City Finance staff
City Staff/County Staff Time						
City Staff						
Environmental Manager	\$20,800	\$12,551.11	\$6,360.99	\$18,912.10	\$1,887.90	Meeting prep for PMT/PC, Working Group, and POM staff meetings. Research and budget prep. Coordination w/County POM staff and Resource Agencies.
Engineering	\$15,000	\$9,393.40	\$2,498.93	\$11,892.33	\$3,107.67	City Finance staff addresses CFD inquiries related to expenditures. Reserves, and FY budget
Counsel	\$5,000	\$22,165.00	\$5,914.00	\$28,079.00	-\$23,079.00	Legal staff recently assigned. Time spent getting up to speed and conducting research for correspondence to County Counsel regarding future infrastructure. Also attends briefings and PMT/PC meetings.
County Staff						
DPR Staff	\$52,456	\$44,115.14	\$17,841.22	\$61,956.36	-\$9,500.36	Coordinates and attends POM Staff, Working Group, PMT, and Policy Committee meetings; Prepares agendas, handouts, and presentations for POM meetings; Coordinates acceptance of fee title transfers and acknowledgment/acceptance of IODs; Edits management plans; Manages the biological monitoring contract; Manages the POM website; Reviews planning documents that may impact the Preserve; and Coordinates with OVRP Joint Staff.
Counsel	\$4,496	\$15,462.90	\$7,058.70	\$22,521.60	-\$18,025.60	Attends POM briefings and PMT/PC meetings. Reviews/responds to POM documents as needed.
General Services	\$2,748	\$700.00	\$0.00	\$700.00	\$2,048.00	Reviews Preliminary Title Reports and
Administration Total	\$118,500	\$117,455.34	\$44,592.01	\$162,047.35	-\$43,547.35	
Preserve Operation and Maintenance						
County Seasonal Park Attendant	\$36,000	\$23,499.06	\$10,264.80	\$33,763.86	\$2,236.14	Attends site visits with POM Staff and Applicants prior to land being conveyed to the POM; Removes trimmings, rubbish, debris, and other solid waste from POM lands; Maintains existing truck trails to POM lands; Enforces the "no trespassing" rules by patrolling access routes and prohibiting off-road traffic; Maintains fences and gates; and Coordinates with other law enforcement agencies.
Preserve Equipment and Improvements						
Fence Maintenance	\$3,000	\$0.00	\$0.00	\$0.00	\$3,000.00	At this time, the Seasonal Ranger has not identified areas in need of fencing repairs
Minor Equipment, i.e. Hand/Power Tools	\$5,000	\$0.00	\$0.00	\$0.00	\$5,000.00	At this time, the purchasing of hand/power tools is not necessary. Current funds may be needed for replacement of damaged tools.
Signs	\$3,000	\$0.00	\$0.00	\$0.00	\$3,000.00	Currently the supply of signage is adequate. Purchasing of new signage is not anticipated at this time.
Preserve Operation and Maintenance Total	\$47,000	\$23,499.06	\$10,264.80	\$33,763.86	\$13,236.14	
Resource Monitoring Program						
Biological Resources: Expanded/Enhanced Baseline Survey OR Active Management	\$100,000	\$0.00	\$56,000.00	\$56,000.00	\$44,000.00	Monies to be carried forward to FY09/10 budget in order to conduct surveys in Spring 2009. As part of the existing Dudek contract, the following tasks will be completed:  - Initial CAGN survey for 300 acres not previously identified in contract - Spring floral surveys - OCB surveys - Herp arrays  Total cost for these task is esimated at \$89,200. The remaining \$10,800 will be reallocated to the Preserve Steward/Biologist as directed by the PMT on March 17, 2009 at a Special PMT Meeting.  Working Group provided recommendations for reallocation of remaining funds. Complete list of
Biological Resources: On-Going Surveys	\$65,000	\$0.00	\$0.00	\$0.00	\$65,000.00	Monies to be carried forward to FY09/10 budget in order to fund a contract for a Preserve Steward/Biologist as directed by the PMT on March 17, 2009 at a Special PMT Meeting.
Baseline Survey	\$175,000	\$0.00	\$0.00	\$0.00	\$175,000.00	This amount was to be used to conduct baseline biological surveys for land to be conveyed to the POM in 2008. Land was not transferred to the POM, therefore, the funding will be reallocated to the Preserve Steward/Biologist as directed by the PMT on March 17, 2009 at a Special PMT Meeting.
Resource Monitoring Program Total	\$340,000	\$0.00	\$56,000.00	\$56,000.00	\$284,000.00	
SUB TOTAL FY08-09 (Admin, Maint, and Monitoring)	\$505,500	\$140,954.40	\$110,856.81	\$251,811.21	\$253,688.79	
Carry forward from Y07-08 Resource Monitoring Program	\$60,000	\$0.00	\$0.00	\$0.00	\$60,000.00	Although no money has been expended at this time, the following tasks have been completed in association with the existing Dudek contract:  - vegetation mapping - invasive plants - floral surveys - cagn/cawr surveys - avian wetlands species - general butterfly surveys  A final baseline biological report is expected to be submitted by Summer 09. Because this submittal will be completed in the upcoming fiscal year, this amount will be carried forward to the FY09/10 budget.
GRAND TOTAL	\$565,500	\$140,954	\$110,857	\$251,811.21	\$313,688.79	

POM Budget Forecast (CFD 97-2)

Showing FY07-08 thru FY13-14

June 10, 2009

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
FISCAL YEAR	NUMBER OF TAXABLE PARCELS <sup>1</sup>	AVERAGE PER PARCEL ASSESSMENT <sup>2</sup> (D/B)	MAXIMUM LEVY AMOUNT	CHANGE IN REVENUE FROM ASSESSMENT COMPARED TO PREVIOUS FY (D2-D1/D2)	REVENUE <sup>3</sup> [D-(D*0.15)]	AVAILABLE BALANCE (RESERVE) <sup>4</sup>	HEALTH OF THE CARRY FORWARD BALANCE (RESERVE) <sup>5</sup> (G/D)	INTEREST EARNED ON FUND BALANCE <sup>6</sup>	TOTAL ANNUAL FUNDING AVAILABLE (F+G+I+O <sup>Previous FY</sup> )	BUDGET	ADMIN (INCLUDES COLA)	PRESERVE STEWARD/ BIOLOGIST <sup>7</sup>	TOTAL EXPENDITURES (L+M)	FUNDS TO BE ROLLED OVER TO FOLLOWING FY <sup>8</sup> (Earmarked Funds)	ACTUAL YEAR-END BALANCE J-N	AVAILABLE FUND BALANCE (ACTUAL YEAR END BALANCE - ROLL OVER FUNDS) (P-O)
1 2007-08	9,536	\$40.12	\$382,623		\$362,206	\$284,045	94.68%	\$17,488	\$663,739	\$300,000	\$171,881	\$50,000	\$221,881	\$60,000	\$441,858	\$381,858
2 2008-09	10,212	\$49.97	\$510,339	25.03%	\$452,951	\$381,858	67.53%	\$17,599	\$912,408	\$565,500	\$162,047	\$56,000	\$218,047	\$340,000	\$634,361	\$294,361
3 2009-10	10,212	\$50.01	\$510,673	0.07%	\$434,072	\$294,361	33.79%	\$15,000	\$1,083,433	\$871,265	\$127,765	\$743,500	\$871,265	\$0	\$212,168	\$212,168
4 2010-11	10,212	\$51.51	\$525,993	2.91%	\$445,779	\$212,168	44.90%	\$15,000	\$672,947	\$472,500	\$131,598	\$340,902	\$472,500	\$0	\$200,447	\$200,447
5 2011-12	10,212	\$53.05	\$541,773	2.91%	\$459,153	\$200,447	39.81%	\$15,000	\$674,600	\$503,500	\$135,546	\$367,954	\$503,500	\$0	\$171,100	\$171,100
6 2012-13	10,212	\$54.64	\$558,026	2.91%	\$472,927	\$171,100	32.01%	\$15,000	\$659,027	\$534,500	\$139,612	\$394,888	\$534,500	\$0	\$124,527	\$124,527
7 2013-14	10,212	\$56.28	\$574,767	2.91%	\$487,115	\$124,527	21.94%	\$15,000	\$626,642	\$567,500	\$143,801	\$423,699	\$567,500	\$0	\$59,142	\$59,142

Assumptions:

- <sup>1</sup>The number of taxable parcels will be updated as more development within Otay Ranch is completed or annexed into the district.
- <sup>2</sup>The Average per parcel assessment is for illustrative purposes only, as parcel classification varies and effects each parcel's tax rate.
- <sup>3</sup>Revenue factors a delinquency rate of 15% to the levy amount. This delinquency rate reflects the average delinquency rate for the FY08/09 collection year.
- <sup>4</sup>The Carry Forward Budget (Reserve) is equal to the funds remaining at the end of the previous fiscal year.
- <sup>5</sup>The Health of the Carry Forward Budget (Reserve) is equal to the Carry Forward balance over the Maximum Levy Amount. The minimum amount is set by the City's Open Space Policy, i.e. Minimum is 50% of the FY Total Budget, maximum is 100% of the FY Total Budget. Ideal Reserve health is between 75% to 100%.
- <sup>6</sup>The actual interest earned for FY07-08 was \$17,488 and FY08-09 was \$17,599. For every FY after 08-09, it is assumed that the fund balance will earn \$15,000 in interest.
- <sup>7</sup>Pursuant to the 3/13/09 Special PMT meeting, it was determined that the Preserve Steward/Biologist would conduct basic stewardship duties, management, and monitoring tasks (including baseline surveys on new land conveyed to the POM and on-going management and monitoring of land currently under POM ownership). Costs associated with operations and maintenance, baseline surveys, and on-going monitoring will be reassessed each fiscal year based on a proposed work plan to be prepared by the Preserve Steward/Biologist.
- <sup>8</sup>The Funds to be Rolled Over to Following Fiscal Year is equal to funds remaining at the end of the fiscal year that were earmarked for a specific task(s) that were not completed during the fiscal year. Therefore, the funds will be "rolled over" into the following fiscal year.

Note to Reader:

Approval of Village 13, within the unincorporated County, will require the creation and implementation of a CFD administered by the County of San Diego. This will help defray the costs to manage and monitor the Preserve once homes are built and assessments charged.

For FY07/08 and FY08/09, staff has updated the costs associated with administration, operations and maintenance, and monitoring with the actual expenditures.

The budget amounts shown for FY2010/2011 through FY2013/2014 are estimates only. Each fiscal year, the budget will be reassessed based on a proposed work plan to be prepared by the Preserve Steward/Biologist.

The estimated budgets assumes the cost of one-time baseline surveys for new land conveyed to the POM and on-going monitoring of land under POM management. The cost for baseline surveys is calculated at \$225/ac. It is anticipated that 500 acres will be conveyed to the POM each year after FY09-10.

For on-going monitoring, the cost for on-going biological surveys is calculated at \$50/acre.